

NEWSLETTER

From Your District Advisor
Property Valuation & Review



What's New?

Please join us in welcoming Isaac Bissell to the Current Use team. Isaac comes to us from the Vermont Land Trust where he worked as a paralegal for the past seven years – gaining experience with real estate transactions and the current use program. He lives in South Burlington and his hobbies include gardening, hiking, and before the COVID shut down, Brazilian Jiu jitsu. Isaac will be the specialist for towns G-R and can be reached via email at isaac.bissell@vermont.gov or by phone at (802) 828-6637.

And, as we say hello to Isaac, we say goodbye to District Advisor Roger Kilbourn. Roger officially retired December 18. We wish him the best with the next chapter in his life! For all towns in Roger's district please call (802) 828-5860, ext. 3 for district advisor assistance. We will let you know as soon as we have a new DA for your territory, but in the meantime the other DA's are willing to help!

PVR is now seeking to fill this District Advisor position, left vacant by Roger's recent retirement. To learn more of this opportunity, visit <https://tax.vermont.gov/careers> where the position will be posted in the near future. The person hired would be a *Property Valuation District Advisor* and would work in a very demanding but rewarding role providing assistance to municipal listers and assessors in the appraisal of real estate and personal property in an assigned geographic area. Questions? Please do not hesitate to contact Director Jill Remick at jill.remick@vermont.gov.

Updated Fact Sheets

The following guidebooks and fact sheets have been updated and are available at tax.vermont.gov

- myVTax Guide for Town Clerks: How to Record Returns (GB-1216)
<https://tax.vermont.gov/content/gb-1216-myvtax-guide-town-clerks-how-record-returns>
- Vermont Taxation on Transfers of Mobile Homes (FS-1275)
<https://tax.vermont.gov/content/fs-1275-vermont-taxation-transfers-mobile-homes>
- myVTax Guide: How to Record a Land Use Change Lien Release (GB-1179)
<https://tax.vermont.gov/content/gb-1179-myvtax-guide-how-record-land-use-change-lien-release>
- How to Understand a Property Tax Bill (GB-1205)
<https://tax.vermont.gov/content/gb-1205-how-understand-property-tax-bill>

Covid-19 Information

- **Update on New Work Safe Additions to the Be Smart, Stay Safe Order**
<https://accd.vermont.gov/news/update-new-work-safe-additions-be-smart-stay-safe-order>
- VT Department of Health <https://www.healthvermont.gov/response/coronavirus-covid-19>

- Agency of Commerce & Community Development (scroll to '[Municipalities](#)' and '[Real Estate](#)')
<https://accd.vermont.gov/covid-19/business/stay-home-stay-safe-sector-specific-guidance>
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What's on the calendar for January?

Equalization Study Results

The primary purpose of the Equalization Study is to assess how close the properties on the grand lists are compared to fair market value. The reference to equalization stems from the fact that most municipalities' grand lists are not at 100% of fair market value in any given year. If the grand lists were always at 100% of fair market value, there would be no reason for the state to estimate market values and determine common levels of appraisal (CLA) which are used to equalize the education property tax rates throughout the state.

The Commissioner is required to determine the equalized education property tax grand list and coefficient of dispersion (COD) for each municipality in the state [32 V.S.A. § 5405](#). The COD helps to ensure that property valuations within a municipality are equitable.

The results of the Equalization Study are used for

- Determining education property tax rates
- Determining whether a municipality must undergo a reappraisal
- Determining taxes municipalities pay to the county
- Determining education liability
- Equalizing use value
- Equalizing fair market value on appeal

Letters from the Director notifying towns of their calculated CLA and COD have been sent and the full three-year Certified Sales Report, as well as the Certified Final Computation sheet, are available at <https://tax.vermont.gov/research-and-reports/reports/equalization-study>

- **A CLA of less than 85% or more than 115% or a COD of more than 20% will mean your town will be required to conduct a reappraisal [32 V.S.A. § 4041a\(b\)](#).** Orders to Reappraise will be issued by the Director on or about July 1.
- Towns should download and review their report and reach out to their District Advisor with any questions. This review is very important because it directly affects the town's tax rates.
- Petitions for redetermination can be filed under [32 V.S.A. § 5408](#). Such petitions must be timely and be filed by your legislative body (Selectboard in most towns). Detailed information on this appeal process is available in the [Intro to Vermont's Equalization Study](#) document.

[Introduction to Vermont's Equalization Study and Certified Sales](#)

Submission of final 411/ Grand List to PVR

Final electronic 411s for Tax Year 2020 are **due to PVR by Friday, January 15, 2021**. This final submission is used for the reconciliation (true-up) done for the Agency of Education. Please submit your 411 electronically from your 2020 'As Billed' Grand List, making sure that

- your NEMRC program is updated if need be prior to submitting
- you have answered the questions regarding Business Personal Property when prompted on the *NEMRC 411 Report Options* screen (most towns no longer assess or tax business personal

property). The date voted can be found in the historic Town Reports located in the Town Clerk's vault, likely in the 1996-2000 date range.

- a backup and freeze file are highly recommended
- a printout of this 411 (all pages) should be given at this time to your Town Clerk to be attached to the vault copy of the 2020 Grand List

[NEMRC 411 Filing Instructions](#)

Reminder: Reappraisal Towns to notify PVR of anticipated 2021 completion

If your town is completing a reappraisal for your 2021 Grand List, please contact Casey O'Hara at (802) 828-6834 or Casey.Ohara@vermont.gov at your earliest convenience if you have not already done so. PVR needs to be officially informed by January 1, 2021. This is critical as adjustments need to be made in a reappraisal year for Current Use CLA, Utilities CLA, tax rate calculations, and equalization. If we are not informed by the town in official format [RA-308 Detailed Reappraisal Compliance Plan](#), we cannot make these adjustments and it will impact your town financially.

The following towns are recognized for 2021 Reappraisal completion: please reach out to **Casey O'Hara** at (802) 828-6834 or Casey.Ohara@vermont.gov if your town has an asterisk or if your town is not on the list and you are completing a reappraisal this year.

Arlington	Dummerston	Readsboro
Barre Town	Grafton	Ryegate
Belvidere	Halifax	Sandgate
Coventry	Mendon	Sheffield
Danville	Richmond*	Waterford

myVTax & sales validation

We anticipate new sales for the 2021 study to be available to towns by early to mid-January. Notification when they are available will be posted on Listserv. The initial release will include sales from April 1, 2020 to date, with additional sales being added to your myVTax file as they are recorded by your town clerk.

If you are a reappraisal town the verification process is slightly different - Once a town is flagged by PVR as a reappraisal town, you will not only have the current year sales, but also the previous two years available. If a town is marked as a partial reappraisal town, the listers/assessors will have the ability to select which sales are affected by the reappraisal. Whether the town is under full, partial or statistical reappraisal, **you will not be able to submit your verification for sales until after submission of the reappraised Grand List** but will be able to fill out the sales verification and save the draft.

[myVTax Sales Study Validation Basics](#)

[myVTax and Sales Study Validation course material](#)

Director's Annual Report

In mid-January, PVR Director Jill Remick will release the Annual Report. The report includes the tax rate per dollar or per hundred and actual taxes for homestead and nonhomestead education, as well as municipal in each and all the towns, grants, gores, unorganized towns, school and fire districts and villages for the preceding year, the value of all exempt property on each grand list and an analysis of the appraisal practices and methods employed through the State as well as recommendations for statutory changes as she feels necessary.

[Property Valuation & Review Annual Reports](#)

News You Can Use - Subsidized & Covenant Restricted Housing

There is often confusion between the following terms and meanings in assessment: Subsidized Housing, Qualified Housing and Covenant Restricted Housing. Please take this time to review yours and make sure you are assessing/taxing them as defined in statute.

Subsidized Housing (A/K/A Qualified Housing)

These are multi-apartment buildings where there is an income adjustment to the rental amount. **The statutes require that these be valued based on the income approach as defined below and they are also eligible for an exemption of up to 10%** (based on the percentage of units being used for the qualified housing).

From the [Listers Handbook](#) Page 49

For residential rental property that is subject to a housing subsidy covenant or other legal restriction, imposed by a governmental, quasi-governmental, or public purpose entity, on rents that may be charged, fair market value must be determined by the income approach per [32 V.S.A. § 3481 \(1\)\(A\) – B\(iv\)](#)

The following elements must be used in the valuation approach:

- (A) market rents with utility allowance adjustments for the geographic area in which the property is located, as determined by the federal office of Housing and Urban Development.
- (B) actual expenses incurred with respect to the property as provided by the property owner and certified by an independent third party.
- (C) a vacancy rate that is 50 percent of the market vacancy rate as determined by the United States Census Bureau with local review by the Vermont Housing Finance Agency (VHFA).
- (D) a capitalization rate that is typical for the geographic area - determined and published annually prior to April 1 by the division of Property Valuation & Review after consultation with the Vermont Housing Finance Agency.
- (E) Qualified rental unit parcels are entitled to an exemption of up to 10%, based upon the number of qualifying units. This must be certified by VHFA in the form of a certificate that states the percentage they are entitled to, please refer to statute [32 V.S.A. § 5404a \(6\)](#).

An annually updated spreadsheet/calculator is available on the Department of Taxes' website which can be used to facilitate appraisals of subsidized housing. Instruction can be found at on the See our Guide to Valuation of Subsidized Housing Worksheet which can be found at <https://tax.vermont.gov/sites/tax/files/documents/GB-1183.pdf> (this link is also available on the 'Link to GB_1183' tab located in the workbook). You may contact [VHFA](#) with questions about a property's qualification status.

The 10% exemption for qualified housing is entered in NEMRC as a Special Exemption. (Value/Exempt Tab/ Special Exemption Code 6-Qualified Housing.) The (up to) 10% special exemption amount (box below special exemption code) should be filled in. Refer to the statute [32 V.S.A. § 5404a \(6\)](#) for calculation details. This exemption applies only to the education grand list, not the municipal. If you have questions or need assistance, contact your PVR District Advisor.

Covenant Restricted Housing

This is not the same as Qualified/Subsidized Housing. These are private homes where the owner enters into a grant agreement when purchasing the property. This agreement is defined in the deed and limits

the amount of resale price above fair market value that the owner can recoup; the remainder goes back to the grant program. The limits on the assessment have been outlined in statute. The application of this legislation is a percentage reduction from the total fair market value, not an exemption.

From the [Listers Handbook](#) Page 50

For owner-occupied housing that is subject to a housing subsidy covenant, as defined in [27 V.S.A. § 610](#), imposed by a governmental, quasi-governmental, or public purpose entity, that limits the price for which the property may be sold, the housing subsidy covenant shall be deemed to cause a material decrease in the value of the owner-occupied housing (refer to [32 V.S.A. § 3481\(1\)\(C\)](#) for more information). This property type is to be entered in the grand list at a value that represents 60%-70% of the fair market value of the property that is subject to the restriction. This should be entered as a reduction on the cost sheet or property record card, and the percentage applied should be recorded for data purposes on the “parcel maintenance screen” in NEMRC. NEMRC has a document, [Covenant Housing Statute Requirement](#), for more information.

Contact your District Advisor if you need further information about Covenant Restricted Housing.

Current Use

If you need assistance, you may call the main PVR line, 802-828-5860 and select option 2 or email tax.currentuse@vermont.gov. Additionally, you may email [Elizabeth Hunt](#) (Supervisor) or reach out to your towns Current Use specialist at

Towns A-F	Patrick Dakin	(802) 828-6633
Towns G-R	Isaac Bissell	(802) 828-6637
Towns S-W	Terry Hodgdon	(802) 828-6636

All Parcels Certified

When all parcels have been approved for the year, you will receive notice that your current use file is 100% certified. **It is important now, as it is with each exchange, to load your values, send a notice to any parcels with value or allocation changes and issue a revised tax bill if need be.** Any changes to your file after it is 100% certified will require the file be sent back to current use for recertification.

Education

KnowledgeWave

In early December KnowledgeWave held an informational webinar highlighting what is available for town officials. As follows are several question responses:

- The trainings in KnowledgeWave are provided through recorded videos that you can access at any time through an internet connection - some topics include excel, using Teams, and many others
- PVR is providing access to Knowledge Wave free of charge to towns
- Towns can enroll up to 10 people
- Your email is your username
- All the emails provided in the original registration as well as the lister emails on file with PVR have been enrolled

If you wish to enroll additional town officials please send their first name, last name, town, and their unique email address to support@knowledgewave.com and they will be added to the learning site

<https://www.knowledgewave.com/>

For those of you who are new to KnowledgeWave, you should have received an email list of upcoming highlighted offerings, so check your email for what is being offered in January!

State Sponsored Training

For a full list of training offered *at no charge* to current Vermont municipal assessment officials please visit <https://tax.vermont.gov/municipal-officials/certification-education-programs/state-sponsored>

Grant Funding/ Reimbursement for Travel

PVR classes continue to be of no charge to listers. PVR sponsorship of select NEMRC webinars and VALA hosted IAAO classes also continues. However, please be aware the VALA registration fees for these IAAO courses is not reimbursable through the PVR grant. Grant money is available for **pre-approved** mileage and lodging expenses (distances apply). A fillable pdf, 2020/2021 grant application can be found at <https://tax.vermont.gov/sites/tax/files/documents/Grant%20Agreement.pdf>

Additionally, if municipal listers and assessors are independently taking non-PVR sponsored, assessment related courses, including those taken online, these course fees **may** be reimbursed through the grant application process. This grant funding **may** also apply to related travel expenses to assessment trainings (including mileage above 50 miles one way and lodging for multiple day classes). Applications for grants **must be preapproved prior to attending the training**. To apply, follow the Course Funding link below. If you need assistance with this process, please contact (802) 828-6887. More information about course funding and our grant program is available at <https://tax.vermont.gov/municipal-officials/certification-education-programs/tuition-information>

Grant Education Funding for Listers and assessors (Municipal Reimbursement) Fact Sheet
<https://tax.vermont.gov/sites/tax/files/documents/FS-1184.pdf>

Help Desk & DA Contact Information

PVR GENERAL HELP LINE	(802) 828-5860 / OPTION 3
CURRENT USE	(802) 828-5860 / OPTION 2
IT HELP DESK	(802) 828-6844

[District Advisors & their territories interactive map](#)

Barb Schlesinger barbara.schlesinger@vermont.gov	(802) 369-9081	Nancy Merrill nancy.merrill@vermont.gov	(802) 522-0199
Christie Wright christie.wright@vermont.gov	(802) 855-3897	Teri Gildersleeve teri.gildersleeve@vermont.gov	(802) 855-3917
Cy Bailey cy.bailey@vermont.gov	(802) 233-3841	Theresa Gile theresa.gile@vermont.gov	(802) 522-7425
Deanna Robitaille deanna.robitaille@vermont.gov	(802) 323-3411	Nancy Anderson Edu/DA assist nancy.anderson@vermont.gov	(802) 279-9938
Nahoami Shannon Maternity leave			

Please leave a message for your district advisor. However, if you need immediate assistance and are unable to wait for a return call please call (802) 828-5860, select option #3 and ask to speak to another district advisor that is available.

Online Resources

Lister & Municipal Basics

Municipal resources	Open Meeting Law – VLCT	Tax Bill tools
Forms & publications	Open Meeting FAQs	Property Tax Credit Confidentiality
IPTMS Project	Public Records - Sec of State	VT Property Assessor Certification
NEMRC GL Support	Public Records - VLCT FAQ	State Sponsored Training

Property Assessment - Grand Lists

Listers and Assessors	Lister Guide	Assessment Toolbox
Lister and/or Assessor Options	Lister Responsibilities	Approved Appraisers
eCuse	CU Assessing Property	CU Withdrawal - FMV
Property Ownership & Deeds	Solar plants - valuing w/ PV Value	Conservation Easements
Reappraisals		Homestead Declarations
Grand List Lodging Checklist	E&O - Value Change	E&O- Homestead Status Change

Exemptions

Exemptions	Public, Pious & Charitable PVR-317	32 VSA 3802 – Statutory Exemptions
Valuation of Tax-Exempt Properties	Insurance Value Reporting form for Exempt Properties	
Veterans Exemption	Subsidized Housing	Covenant Restricted

Appeals

Grievance Letter Template	Sec of State Appeal Handbook 2007	VLCT Property Tax Appeals
Appeals to Director Guide	Guide to Best Practices	List Value Adjustment Request